Manitoba

Preliminary Financial Report

Hon. Eugene Kostyra — Minister of Finance

For the Year Ended March 31, 1986

MG-5333

PROVINCE OF MANITOBA
NOTES TO THE PRELIMINARY UNAUDITED FINANCIAL STATEMENTS
For the Fiscal Year Ended March 31, 1986

The following financial statements have been prepared by the Department of Finance and have not been audited by the Provincial Auditor. These statements have been prepared using the most current data available and it is anticipated that they will remain largely unchanged when final statements are prepared for the fiscal year.

The financial results of the fiscal year have been prepared on a basis consistent with the accounting policies of the Provincial Government which are detailed in the Public Accounts. The comparative data shown for the 1984-85 fiscal year has been recast to reflect the organizational structure of Departments as established in the 1985-86 Estimates.

Total expenditures for the year were $3,644.8 million, up $26.1 million from the initial budget estimate of $3,618.7 million, while revenue was $3,115.5 or $7.0 million lower than the initial budget estimate.

Total budgetary requirements, which represents the difference between total current and capital expenditures ($3,644.8 million) and total revenue ($3,115.5 million), was $529.3 million or $33.1 million higher than the initial budget estimate of $496.2 million. The net operating deficit of $253.8 million was approximately $61.2 million above the initial budget estimate of $192.6 million, reflecting lower than anticipated capital expenditures.

The estimated figures shown on the statement of expenditure include only the authority provided at the beginning of the fiscal year in the Main Estimates. Amounts authorized by Special Warrant during the fiscal year along with adjustments to Statutory Appropriations increased fiscal year authority to $3,729.3 million which resulted in the Province lapsing approximately $84.5 million of expenditure authority.

	(Millions of Dollars)
Main Estimates	$3,618.7
Special Warrants	86.3
Total Spending Authority	3,705.0
Increase in Statutory Appropriations	24.3
	3,729.3
Total Actual Expenditures	3,644.8
Total Expenditure Authority Lapsed	$ 84.5

Supplementary funds were approved by Special Warrant to meet cost increases related to the hospital, personal care home and medical programs funded through the Manitoba Health Services Commission ($29.7 million); social assistance programs ($14.3 million); rental payments to Manitoba Properties Inc. ($7.4 million); interest rate write-down to 8% on loans held by the Manitoba Agricultural Credit Corporation ($6.2 million); Child and Family Services programs ($3.5 million); the Manitoba General Election ($2.8 million); the Manitoba Horse Racing Commission ($1.7 million); Corrections programs ($1.6 million); tax credit payments ($1.5 million); and miscellaneous departmental requirements

Approximately 10% or $8.7 million of this additional authority was offset by increased revenue recoveries through cost-sharing arrangements.

PROVINCE OF MANITOBA
STATEMENT OF DIRECT AND GUARANTEED DEBT
AS AT MARCH 31, 1986
(with figures shown for March 31, 1985)
(UNAUDITED)

	1986	1985	NET INCREASE (DECREASE)
		(Thousands of Dollars)	
DIRECT DEBT:			
Gross Direct Debt	$6,493,228	$5,471,310	$1,021,918
Less:			
Sinking Funds - Cash and Investments	871,725	660,070	211,655
Net Direct Debt	$5,621,503	$4,811,240	$ 810,263
GUARANTEED DEBT:			
Gross Guaranteed Debt	$1,943,349	$1,950,364	$ (7,015)
Less:			
Sinking Funds - Cash and Investments	262,320	341,539	(79,219)
Net Guaranteed Debt	$1,681,029	$1,608,825	$ 72,204
Total Direct and Guaranteed Debt - Net of Sinking Funds	$7,302,532	$6,420,065	$ 882,467
PURPOSE OF DEBT			
Crown Corporations, Agencies, Boards and Commissions	$4,493,696	$3,976,189	$ 517,507
Less:			
Sinking Funds - Cash and Investments	377,147	443,728	(66,581)
	$4,116,549	$3,532,461	$ 584,088
General Government Programs and Other Purposes	$3,942,881	$3,445,485	$ 497,396
Less:			
Sinking Funds - Cash and Investments	756,898	557,881	199,017
	$3,185,983	$2,887,604	$ 298,379
PER CAPITA DEBT INFORMATION			
Crown Corporations, Agencies, Boards and Commissions (Net)	$3,849	$3,344	$505
General Government Programs and Other Purposes (Net)	2,978	2,733	245
Total Direct and Guaranteed Debt - Net of Sinking Funds	$6,827	$6,077	$750

NOTE: Per capita data is based upon population figures at June 1, 1985 and June 1, 1984 as reported by Statistics Canada.

PROVINCE OF MANITOBA
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED MARCH 31, 1986
(with comparative figures for March 31, 1985)
(UNAUDITED)

1984-85	1985-86	NET INCREASE (DECREASE)		1985 - 1986 ACTUAL	1985 - 1986 ESTIMATED	1985 - 1986 VARIANCE
(Thousands of Dollars)				(Thousands of Dollars)		
3,407,180	3,644,788	237,608	Total Current and Capital Expenditures - Schedule I	3,644,788	3,618,693	26,095
2,924,647	3,115,488	190,841	Less: Total Revenue - Schedule II	3,115,488	3,122,497	(7,009)
482,533	529,300	46,767	Total Budgetary Requirements	529,300	496,196	33,104
291,529	275,524	(16,005)	Less: Gross Capital Expenditures	275,524	303,587	(28,063)
191,004	253,776	62,772	Net Operating Deficit	253,776	192,609	61,167

NOTE: Total Revenue includes Revenue Related to Capital Assets of $21.4 million and $18.4 million for the fiscal years 1984/85 and 1985/86 respectively.

SCHEDULE 1

PROVINCE OF MANITOBA
STATEMENT OF EXPENDITURE
FOR THE YEAR ENDED MARCH 31, 1986
(with comparative figures for March 31, 1985)
(UNAUDITED)

1984-85	1985-86	INCREASE (DECREASE)		1985-1986 ACTUAL	1985-1986 ESTIMATED	1985-1986 VARIANCE
(Thousands of Dollars)				(Thousands of Dollars)		
6,946	9,091	2,145	Legislation	9,091	7,565	1,526
3,836	2,208	(1,628)	Executive Council	2,208	2,277	(69)
59,807	62,429	2,622	Agriculture	62,429	58,229	4,200
67,201	71,353	4,152	Attorney-General	71,353	70,889	464
16,452	17,094	642	Business Development and Tourism	17,094	16,498	596
42,607	46,200	3,593	Civil Service	46,200	50,099	(3,899)
154,546	169,818	15,272	Community Services	169,818	164,487	5,331
3,772	4,264	492	Consumer and Corporate Affairs	4,264	4,333	(69)
6,355	6,573	218	Co-operative Development	6,573	6,591	(18)
660	812	152	Crown Investments	812	892	(80)
19,855	20,469	614	Culture, Heritage and Recreation	20,469	19,993	476
654,611	663,027	8,416	Education	663,027	663,315	(288)
181,107	195,690	14,583	Employment Services and Economic Security	195,690	184,037	11,653
11,726	10,899	(827)	Energy and Mines	10,899	11,809	(910)
11,962	11,795	(167)	Environment and Workplace Safety and Health	11,795	12,202	(407)
461,593	533,629	72,036	Finance	533,629	509,332	24,297
94,307	117,346	23,039	Government Services	117,346	122,959	(5,613)
1,072,612	1,149,020	76,408	Health	1,149,020	1,136,432	12,588
193,711	194,505	794	Highways and Transportation	194,505	201,055	(6,550)
38,753	40,232	1,479	Housing	40,232	44,006	(3,774)
7,933	8,588	655	Industry, Trade and Technology	8,588	9,368	(780)
8,678	9,153	475	Labour	9,153	8,962	191
34,264	37,826	3,562	Municipal Affairs	37,826	39,396	(1,570)
85,130	85,758	628	Natural Resources	85,758	87,756	(1,998)
26,957	29,543	2,586	Northern Affairs	29,543	30,330	(787)
63,267	63,476	209	Urban Affairs	63,476	69,806	(6,330)
3,881	1,906	(1,975)	Emergency Interest Rate Relief	1,906	1,915	(9)
3,301	1,885	(1,416)	Flood Control and Emergency Expenditures	1,885	1,000	885
71,350	80,199	8,849	Manitoba Jobs Fund	80,199	83,160	(2,961)
3,407,180	3,644,788	237,608		3,644,788	3,618,693	26,095

PROVINCE OF MANITOBA
STATEMENT OF REVENUE
FOR THE YEAR ENDED MARCH 31, 1986
(with comparative figures for March 31, 1985)
(UNAUDITED)

SCHEDULE II

1984-85	1985-86	INCREASE (DECREASE)		1985-1986 ACTUAL	1985-1986 ESTIMATED	1985-1986 VARIANCE
(Thousands of Dollars)				(Thousands of Dollars)		
			TAXATION:			
			Consumer and Corporate Affairs			
15,186	16,678	1,492	- Insurance Corporations Tax	16,678	16,700	(22)
			Finance			
			- Canada-Manitoba Income Tax Collection Agreement			
129,631	126,539	(3,092)	- Corporation Income Tax	126,539	129,800	(3,261)
586,872	649,699	62,827	- Individual Income Tax	649,699	652,100	(2,401)
24,484	29,628	5,144	- Corporation Capital Tax	29,628	25,700	3,928
101,814	114,631	12,817	- Gasoline Tax	114,631	115,400	(769)
111,144	118,850	7,706	- Levy for Health and Education	118,850	116,000	2,850
9,217	13,739	4,522	- Mining Tax	13,739	23,000	(9,261)
45,427	49,580	4,153	- Motive Fuel Tax	49,580	56,700	(7,120)
14,717	14,293	(424)	- Oil and Natural Gas Tax	14,293	17,000	(2,707)
4,721	5,272	551	- Pari Mutuel Tax	5,272	4,600	672
391,338	436,791	45,453	- Retail Sales Tax	436,791	417,000	19,791
32,808	34,161	1,353	- Revenue Act, 1964, Part I	34,161	34,000	161
66,129	77,701	11,572	- Tobacco Tax	77,701	80,000	(2,299)
12,235	16,508	4,273	- Reciprocal Taxation	16,508	13,900	2,608
183	155	(28)	- Other Taxes	155	177	(22)
1,545,906	1,704,225	158,319		1,704,225	1,702,077	2,148
			OTHER REVENUE:			
6,840	7,058	218	Agriculture	7,058	7,446	(388)
24,411	26,862	2,451	Attorney-General	26,862	24,904	1,958
135,971	139,424	3,453	Liquor Control Commission	139,424	141,000	(1,576)
2,977	3,158	181	Community Services	3,158	3,700	(542)
3,154	3,403	249	Consumer and Corporate Affairs	3,403	3,129	274
7,671	7,963	292	Education	7,963	8,148	(185)
7,979	10,883	2,904	Energy and Mines	10,883	7,152	3,731
4,067	7,706	3,639	Finance	7,706	3,725	3,981
37,811	38,240	429	Highways and Transportation	38,240	36,614	1,626
23,946	29,374	5,428	Natural Resources	29,374	27,544	1,830
21,934	24,488	2,554	Other	24,488	25,945	(1,457)
276,761	298,559	21,798		298,559	289,307	9,252

1984-85	1985-86	INCREASE (DECREASE)		1985-1986 ACTUAL	1985-1986 ESTIMATED	1985-1986 VARIANCE
(Thousands of Dollars)				(Thousands of Dollars)		
			GOVERNMENT OF CANADA:			
50,998	56,037	5,039	Community Services	56,037	52,967	3,070
27,777	27,577	(200)	Education	27,577	28,662	(1,085)
88,901	100,847	11,946	Employment Services and Economic Security	100,847	93,089	7,758
6,476	7,541	1,065	Northern Affairs	7,541	7,704	(163)
19,795	19,582	(213)	Other	19,582	15,086	4,496
			Finance:			
477,878	470,253	(7,625)	- Equalization	470,253	479,700	(9,447)
405,270	410,134	4,864	- Established Programs Cash Transfer	410,134	426,500	(16,366)
2,194	2,193	(1)	- Government of Canada Subsidy	2,193	2,200	(7)
1,276	104	(1,172)	- Share of Federal Oil Export Tax	104	1,300	(1,196)
1,080,565	1,094,268	13,703		1,094,268	1,107,208	(12,940)
2,903,232	3,097,052	193,820	TOTAL CURRENT OPERATING PROGRAMS	3,097,052	3,098,592	(1,540)
			REVENUE RELATED TO CAPITAL:			
			Other Revenue:			
764	2,835	2,071	Highways and Transportation	2,835	3,125	(290)
973	483	(490)	Natural Resources	483	998	(515)
1,865	2,260	395	Urban Affairs	2,260	2,639	(379)
-	-	-	Other	-	4,500	(4,500)
781	1,798	1,017	Sale of Government Assets	1,798	1,500	298
4,383	7,376	2,993		7,376	12,762	(5,386)
			Government of Canada:			
8,364	557	(7,807)	Education	557	509	48
944	2,496	1,552	Natural Resources	2,496	2,302	194
1,748	3,005	1,257	Northern Affairs	3,005	3,114	(109)
2,312	2,260	(52)	Urban Affairs	2,260	2,786	(526)
3,664	2,742	(922)	Other	2,742	2,432	310
17,032	11,060	(5,972)		11,060	11,143	(83)
21,415	18,436	(2,979)	TOTAL REVENUE RELATED TO CAPITAL	18,436	23,905	(5,469)
2,924,647	3,115,488	190,841		3,115,488	3,122,497	(7,009)